

# FINANCIAL SERVICES

## MISSION STATEMENT

The Financial Services Department is committed to quality and excellence ensuring the financial integrity of the City and its related agencies while providing efficient courteous service.

## DESCRIPTION

The Financial Services Department is responsible for providing quantitative financial information as well as qualitative fiscal management of City funds. This enables the City Council, City departments and agencies to make informed decisions on the allocation of available resources through the careful analysis of revenues and expenditures. The department also maintains a balanced City budget, and provides the City's financial condition and the results of its operations in the fiscal year-end Comprehensive Annual Financial Report (CAFR).

The department provides a wide range of services including budget, purchasing, accounts receivable and revenue collection, fixed asset management, payroll, accounts payable, accounting, deferred compensation administration, Public Employees' Retirement System (PERS) reporting, debt management, and internal audit management.

## OBJECTIVES

The Financial Services Department closely adheres to the City Council's adopted Financial Policies. These include maintaining a balanced operating budget for all governmental funds, monitoring all proprietary funds to ensure that they remain self-supporting, maintaining appropriate reserves, and complying with all bond covenants. The department will closely monitor the fiscal operations of the City in conjunction with the City's Ten-Year Strategic Plan Goals.

The department's staff will comply with the changes in reporting requirements and adhere to the principles of the Governmental Accounting Standards Board (GASB). Staff will provide ongoing training and support to City employees in the Oracle financials module and maintain a high level of customer service to the other departments, residents and businesses.

The department will continue to produce an award winning Annual Budget, CAFR and Capital Improvement Program (CIP) budget that is recognized by both the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO).

The City and its related agencies bonded indebtedness will continue to be monitored including debt service payments, bondholder relations, arbitrage coordination, continuing disclosure requirements and internal controls.

## CHANGES FROM PRIOR YEAR

A reorganization of the Purchasing Division will save \$44,322 in salaries and benefits for FY 2012-13.

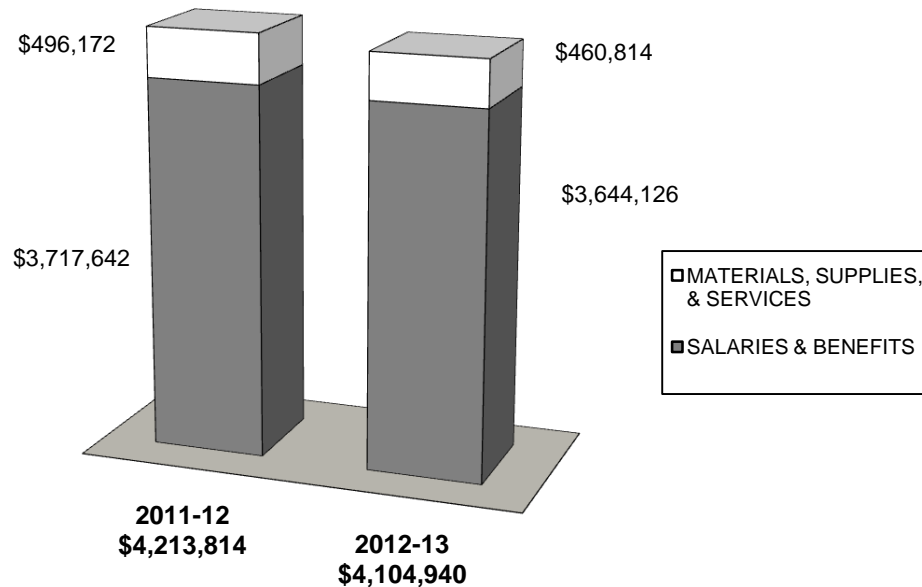
Other reductions to Materials, Services & Supplies include the elimination of annual external audit expenses due to the dissolution of the Redevelopment Agency. As a result, a savings of \$15,600 will be realized in professional services.

## DEPARTMENT SUMMARY

	EXPENDITURES 2010-11	BUDGET 2011-12	BUDGET 2012-13	CHANGE FROM PRIOR YEAR
Staff Years	34,000	32,000	32,000	
Salaries & Benefits	\$ 3,773,689	\$ 3,717,642	\$ 3,644,126	\$ (73,516)
Materials, Supplies, Services	440,455	496,172	460,814	(35,358)
<b>TOTAL</b>	<b>\$ 4,214,144</b>	<b>\$ 4,213,814</b>	<b>\$ 4,104,940</b>	<b>\$ (108,874)</b>

# FINANCIAL SERVICES

## *Department Summary*



### **2011-12 WORK PROGRAM HIGHLIGHTS**

- Adopted a balanced budget totaling approximately \$749 million.
- For the 20th year in a row, the City received the Government Finance Officers Association's (GFOA's) Distinguished Budget Presentation Award for FY 2011-12. This is the highest form of recognition in governmental budgeting.
- The City's FY 2011-12 Adopted Annual Budget and Capital Improvement Program (CIP) Budget received the Excellence in Operating Budget Award and Excellence in Capital Budget Award by the California Society of Municipal Finance Officers (CSMFO).
- The "Budget at a Glance" garnered the Excellence in Public Communications award from CSMFO for the third consecutive year.
- For the 28th consecutive year, the Comprehensive Annual Financial Report (CAFR) received the GFOA's annual national achievement award.
- Completed the implementation of GASB 54, New and Improved Definitions of Fund Balances and Types to ensure accurate reporting of financial requirements.
- Developed a plan to assess the fiscal health of all City funds by ongoing periodic reviews. This includes evaluating fund performance based on cash flow, asset/liability valuations and reserves, and addressing legislative risks that may affect future revenues and increasing expenditures.
- Implemented improvements to the monthly financial reporting of the Golf Fund to City Council and the Golf Fund Oversight Committee.
- Met with all City departments and reviewed all available financial reports. Discussed the uses and trained customers on the application of Oracle General Ledger reporting.
- Worked with the State and County and created new funds to correctly account for the dissolution of the Redevelopment Agency and the formation of the Successor Agency.
- Posted outside legal counsel expenditures on the City's Public Financial Information webpage to increase transparency.
- Worked with CalPERS Retirement and successfully implemented their new retirement reporting system.
- Implemented Oracle Employee Self Service for Human Resources (view only).
- Implemented Federal Electronic Withholding Order Process to receive child support wage assignments electronically.
- Implemented the Advanced Collections system to improve the collection performance on delinquent receivables.
- Conducted an online Budget Survey and outreach for the citizens and residents of Burbank to determine budget priorities and goals for FY 2012-13.

---

### **2011-12 WORK PROGRAM HIGHLIGHTS cont.**

---

- Negotiated and executed a licensing agreement with eCivis, a web based grant research system. This will allow participating departments to easily research grants available from all sources, government, corporate and non-profit in order to increase funding for city projects.
- Explored the feasibility of implementing a new budget module compatible with the current Oracle financial system to provide more timely and accurate information throughout the budget development process and enhance the department's forecasting abilities.
- Improved Enterprise Fund reporting within the Budget Book by showing revenues and appropriations side by side to increase transparency and better fund reporting.
- Monitored internal service funds to ensure adequate revenues to support necessary functions and fund future liabilities.
- Utilized one-time funds to generate recurring General Fund savings by paying down a portion of the City's unfunded CalPERS liability.
- Completed a transition from the manual bidding process for solicitations under \$100,000 to transmitting and receiving bids electronically through the e-procurement system increasing efficiency and decreasing costs.
- Completed the implementation of Multifunctional Printers (MFP) for two departments.
- Completed the solicitation and selection process for the citywide office supplies contract to reduce costs and improve vendor services and accountability.
- Increased procurement training efforts with departments to improve customer support, understanding of procurement procedures and enhance the overall effectiveness of procurement efforts in the City.
- Coordinated with the cities of Glendale and Pasadena and identified opportunities for cost savings through cooperative purchasing, beginning with the evaluation of fuel contracts.

---

### **2012-13 WORK PROGRAM GOALS**

---

- Continue to update the current 5-year long range financial forecast to address any future projected budget shortfalls and to forecast within + or - 3% of actual results.
- Submit an award winning Comprehensive Annual Financial Report (CAFR), Budget and CIP.
- Receive an unqualified opinion audit on the Comprehensive Annual Financial Report.
- Monitor any newly issued Governmental Accounting Standards Board (GASB) pronouncements and determine if they are applicable to the City. Following GASB helps assure the public and the financial community that the City's finances are being handled competently.
- Close the monthly General Ledger on time and meet the monthly General Ledger schedule.
- Implement appropriate accounting policies and procedures for the former Redevelopment Agency and its Successor Agency.
- Update and re-write Accounts Payable Administrative Procedures to ensure compliance with updated IRS regulations.
- Make improvements to the Capital Improvement Program Budget for better project reporting in line with Council's strategic planning goals of increasing accountability and transparency.
- Research and create new Citywide Payroll Administrative Procedures.
- Create an employee user guide for Travel and Expense Claim Form policies and procedures.
- Allow employees the ability to contribute to ICMA-RC's Roth-IRA retirement option through the Payroll system.
- Add an enhancement to the Deferred Compensation Program by allowing employees the ability to make additional payments towards their loans.
- Implement the Affordable Care Act's requirement of reporting employer-sponsored group health coverage costs on employee W2's for 2012.
- Work with Information Technology to implement the Franchise Tax Board (FTB) Offset program that will allow the City to collect delinquent accounts through the FTB and provide an efficient and cost effective way to attempt collection on court ordered debts.
- Continue process improvements within the Oracle Advanced collection module to increase efficiencies, collection performance and reporting.
- Continue compliance efforts related to the City's modernized UUT ordinance in the areas of telecommunications and broadband.
- Continue to maintain a balanced City budget and monitor the current 5-year financial forecast to address an future projected budget shortfalls.
- Review and update the Administrative Procedure on procurement card purchases.

---

**2012-13 WORK PROGRAM GOALS cont.**

---

- Continue to monitor internal service funds to ensure adequate revenues to support necessary functions and fund future liabilities.
- Assist the City Attorney's Office in exploring both legal and legislative options to prevent the loss of City sales tax revenues through tax sharing agreements.
- Continue to develop and utilize the Burbank Employee Network (BEN) portal as a communication tool for City employees by implementing and posting Payroll Self Service documents. This will increase customer service and provide the latest Financial Services department news and information on training schedules and calendar events.
- Meet necessary requirements to apply for the Achievement of Excellence in Procurement (AEP) award through the National Procurement Institute (NPI).
- Embark on a multi year plan to move forward with the review and documentation of internal city controls. Internal controls are required to ensure appropriate safeguards are in place to protect tax payer dollars. In order to evaluate and monitor the adequacy and compliance of the City internal controls, the Finance Department will work towards identifying the appropriate firm to review and document the City's internal controls.
- Complete the transition to E-Procurement for public construction to advertise, receive bids and download documents electronically. This will increase efficiency and decrease paper and reproduction costs.
- Create a Budget Manual to document internal processes and procedures and provide guidelines for staff.
- Identify additional potential procurement projects to complete with the cities of Glendale and Pasadena to promote Council's goals of fiscal responsibility through proactive collaborative efforts.
- Identify and develop on-going purchasing training for the City to support other departments and increase purchasing efficiency.
- Issue all blanket purchase orders by June 2013 for FY 2013-14 to facilitate department needs and increase Purchasing Division customer support.
- Continue to develop and utilize the Burbank Employee Network (BEN) portal for budget liaisons and post available budget forms for easy access.

# Accounting/Administration Division

001FN01A

The Accounting/Administration Division is responsible for the development, implementation, and maintenance of effective financial accounting systems and controls. The Division provides for management control over the City's financial operations by ensuring the ability to present fairly, and with full disclosure on a timely basis, the financial position of the City. This division is responsible for the development of long range financial planning and fiscal support functions to other City departments and other responsible agencies. Payroll, debt management, deferred compensation/PERS reporting, accounts payable, accounting and financial reporting, as well as managing of internal audits are handled in this division.

## OBJECTIVES

- Complete month-end closings of all Oracle financial modules in a timely manner.
- Work with other departments to revise and maintain a five-year cash flow analysis for Refuse, Sewer, Golf, Gas Tax, Parking Authority, Transportation funds, Housing funds, and Internal Service funds.
- Issue the 6/30/12 Comprehensive Annual Financial Report (CAFR) that meets the GFOA award program guidelines for excellence in financial reporting.
- Coordinate Annual Financial Audit with outside auditors.
- Provide initial and ongoing training for all Oracle Financial users.
- Complete State Controller's Reports, Street Reports, and Comprehensive Annual Financial Reports (CAFR's) within applicable deadlines.
- Work with Information Technology to implement ongoing enhancements for the Enterprise Resource Planning (ERP) system.
- Perform system requirements documentation with the Information Technology Department.
- Debt administration for all bond issues.
- Enhance interdepartmental communications and customer service through ongoing training and department meetings.
- Coordinate the City's Internal Audit Program.

## CHANGES FROM PRIOR YEAR

Reductions in Materials, Services and Supplies include a decrease in Other Professional Services by \$15,600 for annual external audit expenses due to the dissolution of the Redevelopment Agency.

## DIVISION SUMMARY

	EXPENDITURES 2010-11	BUDGET 2011-12	BUDGET 2012-13	CHANGE FROM PRIOR YEAR
Staff Years	17.000	17.000	17.000	
Salaries & Benefits	\$ 1,968,521	\$ 2,017,534	\$ 1,993,803	\$ (23,731)
Materials, Supplies, Services	171,686	293,260	273,276	(19,984)
<b>TOTAL</b>	<b>\$ 2,140,207</b>	<b>\$ 2,310,794</b>	<b>\$ 2,267,079</b>	<b>\$ (43,715)</b>

# Budget/Purchasing/Revenue Division

001FN02A

The Budget Section's main function includes the preparation, development and publication of the Annual Adopted Budget and the Capital Improvement Program (CIP) budgets. The division works with all City departments in obtaining revenue estimates, expenditures and assistance on budget amendments during the budget process. The Division submits a proposed budget document for review to Council prior to adoption. The Budget division also provides reports regarding the financial status of the City during the fiscal year.

Purchasing provides centralized control over the issuance of purchase orders and contracts with respect to the procurement of goods and services.

The Revenue Section is responsible for managing the revenue operations of the City and monitoring the City's major revenues, such as Sales Tax and Property Tax. It is also responsible for the City's billed receivables including the collection of citywide delinquent accounts. The division is also responsible for monitoring all grants.

## OBJECTIVES

- Prepare, publish and maintain a balanced Annual Operating and CIP Budget.
- Anticipate potential economic impacts from changing conditions, State budget impacts to Burbank, State and Federal legislation to the City, and recommend and/or take measures to mitigate or minimize those impacts.
- Coordinate the annual cost allocation plan.
- Coordinate the annual update of the Burbank Fee Schedule.
- Publish the annual *Budget in Brief* Document and Budget Brochure.
- Provide ongoing training to all departments on the Oracle Purchasing and Accounts Receivable modules.
- Enhance interdepartmental communications and customer service through ongoing training and standard ongoing departmental meetings.
- Support Citywide purchasing needs by assisting departments in preparing bid specifications and request for proposals as well as negotiating contract terms.
- Provide departments with analytical support for special studies such as revenue analysis for proposed new fees and funding sources.
- Provide the City Manager and City Council ongoing status reports on the City's financial condition.
- Administer the City's billed receivables and maintain delinquent accounts for all departments.

## CHANGES FROM PRIOR YEAR

Staffing changes include a reorganization of the Purchasing Division by downgrading a Sr. Buyer to a Buyer II and upgrading a Supervising Account Clerk to a Buyer I position. This restructuring will save the City \$44,322 in salaries and benefits.

## DIVISION SUMMARY

	EXPENDITURES 2010-11	BUDGET 2011-12	BUDGET 2012-13	CHANGE FROM PRIOR YEAR
<b>Staff Years</b>	17,000	15,000	15,000	
<b>Salaries &amp; Benefits</b>	\$ 1,805,168	\$ 1,700,108	\$ 1,650,323	\$ (49,785)
<b>Materials, Supplies, Services</b>	268,769	202,912	187,538	(15,374)
<b>TOTAL</b>	<u>\$ 2,073,937</u>	<u>\$ 1,903,020</u>	<u>\$ 1,837,861</u>	<u>\$ (65,159)</u>

# Accounting/Administration

001FN01A

	EXPENDITURES FY 2010-11	BUDGET FY 2011-12	BUDGET FY 2012-13	CHANGE FROM PRIOR YEAR
STAFF YEARS	17.000	17.000	17.000	
SALARIES & BENEFITS				
60001 Salaries & Wages	\$ 1,406,044	\$ 1,372,291	\$ 1,366,415	\$ (5,876)
60006 Overtime	144	10,000	10,000	
60012 Fringe Benefits	556,334	270,078	268,089	(1,989)
60012.1008 Fringe Benefits - Retiree Benefits			484	484
60012.1509 Fringe Benefits - Pension		330,973	310,229	(20,744)
60012.1528 Fringe Benefits - Workers Comp		29,704	34,098	4,394
60015 Wellness Program	1,125			
60022 Car Allowance	4,212	4,488	4,488	
60031 Payroll Adjustment	662			
	<b>1,968,521</b>	<b>2,017,534</b>	<b>1,993,803</b>	<b>(23,731)</b>
MATERIALS, SUPPLIES, SERVICES				
DISCRETIONARY				
62085 Other Professional Services	\$ 76,094	\$ 205,004	\$ 189,404	\$ (15,600)
62170.1001 Private Contract Serv-Temp Staff	7,994			
62300 Special Departmental Supplies	4,535	7,000	7,000	
62310 Office Supplies	19,467	19,897	14,903	(4,994)
62420 Books & Periodicals	1,093	860	860	
62440 Office Equip Maint & Repairs		1,765	500	(1,265)
62455 Equipment Rentals	5,568	3,500	9,600	6,100
62700 Memberships & Dues	1,544	1,210	1,369	159
62710 Travel	3,536	5,710	4,629	(1,081)
62755 Training	7,280	3,100	4,181	1,081
62895 Miscellaneous	1,843	900	900	
NON-DISCRETIONARY				
62485 F535 Comm Equip Rental	20,165	20,165	19,129	(1,036)
62496 F537 Computer Equip Rental	22,567	24,149	20,801	(3,348)
	<b>171,686</b>	<b>293,260</b>	<b>273,276</b>	<b>(19,984)</b>
<b>PROGRAM TOTAL</b>	<b>\$ 2,140,207</b>	<b>\$ 2,310,794</b>	<b>\$ 2,267,079</b>	<b>\$ (43,715)</b>

# Budget/Purchasing/Revenue

001FN02A

		EXPENDITURES	BUDGET	BUDGET	CHANGE FROM
		FY 2010-11	FY 2011-12	FY 2012-13	PRIOR YEAR
STAFF YEARS		17.000	15.000	15.000	
SALARIES & BENEFITS					
60001	Salaries & Wages	\$ 1,258,708	\$ 1,161,184	\$ 1,132,443	\$ (28,741)
60006	Overtime	3,092	500	500	
60012	Fringe Benefits	540,135	233,597	231,496	(2,101)
60012.1008	Fringe Benefits - Retiree Benefits			484	484
60012.1509	Fringe Benefits - Pension		281,514	260,599	(20,915)
60012.1528	Fringe Benefits - Workers Comp		23,313	24,801	1,488
60031	Payroll Adjustment	3,233			
		<b>1,805,168</b>	<b>1,700,108</b>	<b>1,650,323</b>	<b>(49,785)</b>
MATERIALS, SUPPLIES, SERVICES					
DISCRETIONARY					
62085	Other Professional Services	\$ 163,011	\$ 114,626	\$ 114,626	
62170.1001	Private Contract Serv-Temp Staff	10,592			
62300	Special Departmental Supplies	5,469	4,128	4,128	
62310	Office Supplies	8,967	7,845	7,845	
62405	Uniforms & Tools	388			
62420	Books & Periodicals		505	200	(305)
62440	Office Equip Maint & Repairs	92	445	200	(245)
62455	Equipment Rentals	5,837	6,181	6,701	520
62700	Memberships & Dues	1,825	1,610	1,610	
62710	Travel	2,129	4,280	3,200	(1,080)
62755	Training	3,713	3,070	4,180	1,110
62895	Miscellaneous	612	400	400	
NON-DISCRETIONARY					
62220	Insurance	40,367	42,896	29,863	(13,033)
62475	F532 Vehicle Equipment Rental	7,408			
62485	F535 Comm Equip Rental	7,080	5,688	5,687	(1)
62496	F537 Computer Equip Rental	11,279	11,238	8,898	(2,340)
		<b>268,769</b>	<b>202,912</b>	<b>187,538</b>	<b>(15,374)</b>
<b>PROGRAM TOTAL</b>		<b>\$ 2,073,937</b>	<b>\$ 1,903,020</b>	<b>\$ 1,837,861</b>	<b>\$ (65,159)</b>



## **FINANCIAL SERVICES**

### **AUTHORIZED POSITIONS**

CLASSIFICATION TITLES Full Time	STAFF YEARS 2010-11	STAFF YEARS 2011-12	STAFF YEARS 2012-13	CHANGE FROM PRIOR YEAR
FINANCIAL SRVCS DIR	1.000	1.000	1.000	
DEPUTY FINC SRVCS DIR	2.000	2.000	2.000	
PURCHASING MGR	1.000	1.000	1.000	
GRANTS & REV MANAGER	1.000	1.000	1.000	
ADMINISTRATIVE OFFICER	1.000	1.000	1.000	
SR BUYER	1.000	1.000		-1.000
SR ADMIN ANALYST	1.000	1.000	1.000	
ADMIN ANALYST II	1.000	1.000	1.000	
PRINCIPAL ACCOUNTANT	1.000	1.000	1.000	
ACCT/AUDIT MANAGER	1.000	1.000	1.000	
FIN SYSTEMS MANAGER	1.000	1.000	1.000	
SR ACCOUNTANT	1.000	1.000	1.000	
BUYER II	1.000	1.000	2.000	1.000
BUYER I			1.000	1.000
ACCOUNTANT	2.000	2.000	2.000	
SUPV ACCOUNT CLERK	3.000	3.000	2.000	-1.000
SR. COLLECTIONS SPECIALIST	1.000	1.000	1.000	
ADMINISTRATIVE ANALYST I	3.000	3.000	3.000	
PAYROLL TECH II	1.000	1.000	1.000	
STOREKEEPER	1.000			
ACCOUNT CLERK	4.000	4.000	4.000	
SR. CLERK	1.000	1.000	1.000	
STORES HELPER	1.000			
EXECUTIVE ASSISTANT	1.000	1.000	1.000	
INTERMEDIATE CLERK	2.000	2.000	2.000	
TOTAL FULL TIME	34.000	32.000	32.000	
<b>TOTAL STAFF YEARS</b>	<b>34.000</b>	<b>32.000</b>	<b>32.000</b>	

**(This Page Left Intentionally Blank)**

